

### Available Assistance

The Hazard Mitigation Grant Program may provide a State with not more than 15 percent of the total estimated Federal grant assistance (excluding any associated administrative costs) provided under Sections 403, 406, 407, 408, 410, 411, 416, and 701 of the Stafford Act.

The total of Section 404 grants for project and management grants may not exceed the mitigation ceiling, but the subgrantee and grantee administrative costs (sliding scales from 44 CFR 206.439) do not count against the ceiling.<sup>1</sup>



These Federal grants may be used to fund up to 75 percent of an approved mitigation measure. States or local applicants provide non-Federal funds to pay for the remaining 25 percent of eligible project costs.



**TIP: Cost-sharing is discussed fully in Section 13.**

### How the Award Limit Is Calculated



The ceiling is the guaranteed level of hazard mitigation project and management cost funding in a particular disaster. The FEMA regional Mitigation Division will coordinate the hazard mitigation estimated ceiling, lock-in ceiling, and final lock-in ceiling with the State.

FEMA's quarterly Disaster Finance Status Report is the mechanism for calculating the mitigation ceiling. It contains the Regional Director's projections for all of a region's declarations, including the projections data for other disaster programs. The Region may use the most recent or closest quarterly status report. The Disaster Finance Status Report is pre-encoded to perform these three steps:

1. Take the total Federal share of program costs for all relevant Stafford Act programs;
2. Remove any administrative costs; and
3. Multiply this total by 15 percent to automatically calculate the mitigation ceiling.

### Timeframes for Lock-In of HMGP Ceiling

The following timeframe indicates the schedule for establishing the HMGP estimated ceiling and lock-in ceiling.

-  **3 Months:** The HMGP estimated ceiling will be established initially within 90 days of the disaster declaration. It will be maintained until the first ceiling review at 6 months.
-  **6 Months:** The estimate will be reevaluated based upon the ceiling calculated by the Disaster Finance Status Report. The lock-in ceiling will reflect any increase or decrease in the resulting estimate. Only at the time of this initial HMGP ceiling review shall a decrease in available funds be incorporated into the lock-in. Subsequent reviews will result in a change to the ceiling only when the review reflects an increase. This first lock-in represents the minimum amount of HMGP funds available for a given disaster.

<sup>1</sup> For disasters declared prior to 10/1/97 the management costs do not count against the HMGP ceiling.

**Timeframes  
for Lock-In  
of HMGP  
Ceiling  
(Continued)**

**12 Months:** A final review of the lock-in ceiling will be conducted 12 months after the disaster declaration. The resulting estimate will impact the final lock-in amount only if it reflects an increase.

***Extensions to  
the Lock-In  
Ceiling  
Timeframe***

The Regional Director may extend the timeframe to include an additional review at 18 months after the disaster declaration, if the State requests it and demonstrates that the disaster is so catastrophic that it is causing major fluctuations in the estimated ceiling. If the resulting estimate has increased, the final lock-in amount will reflect the increase.

**Application/  
Submission  
Timeframe**

States should complete the review and prioritization of subgrantee applications within 90 days after the State Hazard Mitigation Plan is approved. Generally this results in a deadline between 9 and 18 months after the disaster declaration, but the deadline rarely exceeds 18 months.

***Extensions***

The Regional Director may extend the above timeframes in 90-day increments, in the event of extraordinary circumstances or to allow a State to adjust to an increase in the HMGP lock-in ceiling, upon written request from the State. Extensions beyond 18 months after the disaster declaration are to be granted in rare circumstances only.

**Timeframe  
for FEMA To  
Obligate  
Program  
Funds**

Within 24 months of the disaster declaration, FEMA will make determinations on all applications and project summaries, and will complete all obligations for approved applications. FEMA will de-allocate any HMGP funds not obligated or committed to a pending project application after the 24-month obligation deadline has passed. The availability of unused funds expires at this time.



**TIP: See page 13-12 regarding obligation of cost underrun funding to other approved projects.**

***Extensions***

The Regional Director may extend the deadline by 90 days, in the event of extraordinary circumstances, or to reflect extensions granted to the State.